



# PUBLIC NOTICE

Federal Communications Commission  
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**DA 03-3220**  
**Released: October 15, 2003**

## **DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL FROM ALIANT INC. TO STRATOS GLOBAL CORPORATION**

### **STREAMLINED PLEADING CYCLE ESTABLISHED**

#### **WC Docket No. 03-216**

On September 25, 2003, Stratos Global Corporation (Stratos Global) and Aliant Inc. (Aliant) filed an application, pursuant to sections 63.03 and 63.04 of the Commission's rules,<sup>1</sup> to request approval for Aliant to relinquish its direct control of Stratos Global and its indirect control of section 214 holders Stratos Offshore Services Company; Stratos Telecom, Inc.; Stratos Mobile Networks, Inc.; Stratos Communications, Inc.; and Satellite Distribution Services, Inc. (Stratos Subsidiaries).<sup>2</sup>

Applicants assert that this transaction is entitled to presumptive streamlined treatment pursuant to section 63.03(b)(2)(i) because, immediately following the transaction, Stratos Global's licensed affiliates will continue to have a market share in the interstate, interexchange market of less than ten percent, these licensees would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and neither the transferor, the transferee, or the Stratos Subsidiaries is dominant with respect to any service.

Stratos Telecom, Inc. is a competitive local exchange carrier operating in Texas and Louisiana. Stratos Communications, Inc., Stratos Mobile Networks, Inc. and Satellite Distribution Services offer a range of mobile satellite services throughout the United States. Stratos Offshore Services Company provides fixed satellite and terrestrial wireless services in Texas, Louisiana and in the Gulf of Mexico. Currently the Stratos Subsidiaries are wholly-

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<sup>1</sup> 47 C.F.R. §§ 63.03, 63.04; *see* 47 U.S.C. § 214.

<sup>2</sup> Applicants are also filing applications for transfer of control associated with authorizations for international and wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related pending applications.

owned by Stratos Preferred Investments, Inc. Stratos Preferred Investments, Inc. is wholly-owned by Stratos Holdings, Inc. Stratos Holdings, Inc. is approximately 79% owned by Stratos Global (a Canadian corporation) and approximately 21% owned by Stratos Wireless, Inc. (a Canadian corporation), a wholly-owned subsidiary of Stratos Global. Stratos Global is approximately 53%<sup>3</sup> owned and controlled by Aliant (a Canadian corporation), a company indirectly controlled by BCE, Inc.<sup>4</sup>

Aliant proposes to relinquish control of Stratos Global and the authorizations held by its subsidiaries by selling its interest in Stratos Global to multiple shareholders through a secondary public offering. Aliant will issue subscription receipts that can be exchanged for Aliant's shares in Stratos Global once all relevant Commission approvals have been obtained for the transfer of control. Once the subscription receipts have been sold to multiple investors and then exchanged for Stratos Global shares following Commission approval, Aliant's interest in Stratos Global will be reduced from approximately 53% to zero. Stratos Global will continue to be a public company that is widely-held by primarily U.S. and Canadian shareholders. As a widely-held public company, no one shareholder will be in control of Stratos Global. Accordingly, upon Commission approval and conversion of the subscription receipts to Stratos Global shares, control of Stratos Global and its subsidiaries holding Commission licenses and authorizations will pass from Aliant to Stratos Global's numerous public shareholders, none of whom will hold a controlling stake.

The Applicants state that the proposed transaction is in the public interest. The proposed transaction will have no adverse effect on competition in domestic markets because the status of the Stratos Subsidiaries' controlling entity will not change – specifically, the Stratos Subsidiaries will not be controlled by an entity that also provides domestic telecommunications services. Further, the transaction will sever affiliations with Canadian incumbent local exchange carriers, eliminating any remote possibility of using those affiliations to impact the U.S. market.

### **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file **comments within 14 days and reply comments within 21 days** of this notice.<sup>5</sup> Unless

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<sup>3</sup> The remaining 47% of Stratos Global is publicly traded on the Toronto Stock Exchange. Other than the shares held by Aliant, no entity or individual directly owns more than 10% of Stratos Global.

<sup>4</sup> 3588378 Canada, Inc. (a Canadian corporation), which is a wholly-owned subsidiary of Bell Canada Holdings, Inc. (a Canadian corporation), owns 39.1% of Aliant. 3810208 Canada, Inc., a wholly-owned subsidiary of 3588378 Canada, Inc., owns 13.99% of Aliant. Bell Canada Holdings, Inc. is a wholly-owned subsidiary of Bell Canada and Bell Canada is a wholly-owned subsidiary of BCE, Inc. (a Canadian corporation).

<sup>5</sup> See 47 C.F.R. § 63.03(a).

otherwise notified by the Commission, Applicants are permitted to transfer assets on the 31<sup>st</sup> day after the date of this notice.<sup>6</sup> Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send e-mail to [ecfs@fcc.gov](mailto:ecfs@fcc.gov), and should include the following words in the subject line "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

**In addition, one copy of each pleading must be sent to each of the following:**

- (1) the Commission's duplicating contractor, Qualex International, 445 12<sup>th</sup> Street, S.W., Room CY-B402, Washington, D.C. 20554; e-mail: [qualexint@aol.com](mailto:qualexint@aol.com); facsimile: (202) 863-2898; phone: (202) 863-2893;
- (2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room 5-C437, Washington, D.C. 20554; e-mail: [twilson@fcc.gov](mailto:twilson@fcc.gov);

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<sup>6</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- (3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room 6-A461, Washington, D.C. 20554; e-mail: [dcjohnso@fcc.gov](mailto:dcjohnso@fcc.gov);
- (4) Julie Veach, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room 5-C124, Washington, D.C. 20554; e-mail: [julie.veach@fcc.gov](mailto:julie.veach@fcc.gov);
- (5) Imani Ellis-Cheek, Telecommunications Division, International Bureau, 445 12<sup>th</sup> Street, S.W., Room 6-A739, Washington, D.C. 20554; email: [iellis@fcc.gov](mailto:iellis@fcc.gov); and
- (6) Christopher Killion, Office of General Counsel, 445 12<sup>th</sup> Street, S.W., Room 8-C740, Washington, D.C. 20554; e-mail: [ckillion@fcc.gov](mailto:ckillion@fcc.gov).

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554, telephone 202-863-2893, facsimile 202-863-2898, or via e-mail [qualexint@aol.com](mailto:qualexint@aol.com).

For further information, please contact Tracey Wilson, at (202) 418-1394, or Julie Veach at (202) 418-1558.

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